$100,000 in Cash

Hughes Funds Linked To Rebozo and Nixon

By Morton Mintz 10/10/73
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C.G. (Bebe) Rebozo, a close friend of President Nixon, refunded $100,000 in currency he had accepted in Mr. Nixon's behalf from an emissary of billionaire Howard R. Hughes, The Washington Post was told last night.

Rebozo kept the cash in safety deposit boxes in Florida for nearly three years, but finally decided a few months ago that it would be an embarrassment to keep it any longer, he has told investigators for the Senate Watergate committee.

The committee, in a related development, said it may summon Rebozo to testify about the $100,000, which he has claimed to have been a campaign contribution.

Senate sources, however, said that during five hours of questioning by committee investigators on Monday on Key Biscayne, Rebozo was unable to explain why he kept the money rather than turning it over to a campaign committee.

Rebozo said he also put into the safety deposit boxes a written directive that, in the event he died, the money was to be considered a campaign contribution. He was unable to back up this claim, saying that he had destroyed copies of the directive.

The sources said that while it is "entirely possible" that Rebozo as well as representatives of Hughes will be called, investigators at this time may lack sufficient evidence to warrant taking their testimony in public.

Committee investigators were planning to talk again to Rebozo.

Sen. Lowell P. Weicker (R-Conn.), a committee member, said in reply to reporters' questions that if the committee gets into the case he would like to see Rebozo as well as Hughes called as "public witnesses."

"Why not get it from the horse's mouth," Weicker asked.

Hughes is secluded in a London hotel. In the past he has eluded congressional subpoenas to testify on other matters.

The committee, in private sessions, had discussed the

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Hughes-Rebozo matter as late as last week. No member has formally proposed public sessions on it, but Weicker said that if it reaches the point of a vote he would vote "yes," so long as he is sure it is in the committee's purview.

Sen. Howard H. Baker (R-Tenn.), the committee vice chairman, confirmed to reporters that he had exclaimed privately, on hearing about the $100,000, "If you can verify those facts, we have a whole new can of worms."

Chester C. Davis, a principal lawyer for Hughes and his wholly owned Summa Corp., canceled an interview he was to have had yesterday with committee investigators, the Associated Press said. He now is scheduled to be questioned today.

At the White House, deputy press secretary Gerald L. Warren met reporters' questions about the Rebozo cash by reiterating that Mr. Nixon "personally" got none of the money.

Asked whether special counsel to the President J. Fred Buzhardt had met with Rebozo in Florida before returning to Washington Sunday night, Warren said, "I would doubt it, but I just don't know."

A major question about the $100,000 is whether, in whole or in part, it related to a decision by Attorney General John. N. Mitchell in the summer of 1970 to reverse the Justice Department's Antitrust Division.

The division opposed an effort by Hughes, a dominant power in hotels and gambling on the Las Vegas strip, to acquire another major property there, the Dunes Hotel. The proposed acquisition eventually fell through even though Mitchell gave it his blessing.

Robert A. Maheu, who formerly ran all the Hughes enterprises in Nevada, has said under oath that Richard G. Danner, who runs Hughes' Sands Hotel on the strip, gave the money to Rebozo in two equal installments—the first in 1969 in Key Biscayne, and the second in 1970 at the summer White House in San Clemente.

Maheu, in a deposition in a lawsuit that was filed recently, said Rebozo had been "chosen by Mr. Nixon" to receive the currency, which had been "earmarked" for the President.

The delivery in 1970 was made several weeks before Mitchell reversed the Antitrust Division.

Columnist Jack Anderson has said Danner told Senate investigators that Mitchell did not know of the cash transactions.

Danner made three trips to Washington to see Mitchell, to "convey a request of Mr. Hughes," Maheu testified.

Maheu said he told Thomas G. Bell, a Las Vegas lawyer who was a conduit for Hughes political cash, "that certain political obligations had to be met as the result" of one of Danner's trips.

Richarl A. Ellis, a certified public accountant retained by Maheu while he worked for Hughes, has said in another deposition in the same suit that the $50,000 in cash that went to Rebozo in 1969 came from a "personal account" Hughes had in Los Angeles. The second $50,000, according to the Maheu and Ellis testimony, came from the Silver Slipper gambling casino on the strip.